

TOP SECRET

23 October 1969

MEMORANDUM FOR THE RECORD

Morning Meeting of 23 October 1969

DD/I noted that they are ready for their lunch today with Larry Lynn in connection with his new work in support of the Vietnam Special Studies Committee.

25X1 [] briefed on the deteriorating situation in Lebanon []
25X1 []
25X1 []

25X1 [] called attention to Truong Chinh's recent speech broadcast from Hanoi indicating that he may be "first among equals" in the new NVN leadership.

D/ONE briefly noted that they discussed the situation in Lebanon this morning and saw three possible elements which could constitute a modicum of order; namely, the Establishment there, the army, or Nasser's attitude toward the Fedayeen.

Carver noted that he will be meeting with PFIAB this morning and commented that the new leadership in Hanoi should be examined carefully before we tag Truong Chinh as first among equals there.

Maury reported that he has not yet confirmed the purpose of a hearing before the House CIA Appropriations Subcommittee next week nor the date. However, he commented that it will probably be in connection with a review of our budget.

IG reported on the possibility that Pat McGarvey, who wrote the unfavorable article on CIA in the October issue of Government Executive, may now be preparing an article which would perhaps appear in Ramparts, Fortune, or Look. Bross commented that, when he and the DDCI visited Robert Froehle yesterday, they noticed a copy of the Government Executive there. The Director asked the DD/I to prepare a critique of the article for his possible use and asked the IG to continue his investigation of the allegations made (see Morning Meeting Minutes of 17 October).

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Bross advised the Director that he has a paper for his use in discussing "Gaps and Deficiencies" before PFIAB, and the Director noted that he will review same this afternoon. Bross went on to express his appreciation for the vast amount of studies and memoranda prepared in response to PFIAB's requirements.

25X1

DD/S&T noted that the Soviets failed again yesterday to send an unmanned probe to the moon.

DD/S&T pointed to the difficulties in preparing the necessary paper in support of two of the five options with respect to Verification. After some discussion the Director indicated that it might be appropriate for DDR&E to take on this task.

25X1

Executive Director noted that he will be having lunch today with Frank Meyer, Assistant Secretary of State for Administration. He also reported that Bill Fischer of the Bureau of the Budget is going to be named deputy to Wilfred Rommel, the Bureau's Assistant Director for Legislative Reference.

DDCI noted that he and Bross laid the groundwork with Robert Froehlke yesterday for NIRB's 12 November meeting.

*The Director asked the ADD/P to advise him on what is approved on the Laos package.

The Director briefly commented on the first meeting of the Defense Program Review Committee and noted that its primary concern will be to develop five-year programs. He added that it is too early to determine what materials will be required in support of the Committee's work.

The Director noted that the Symington hearings on Laos have been temporarily postponed until an undetermined date.

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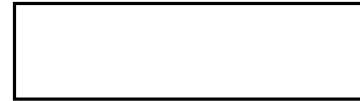
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The Director noted that he was in touch with Charles Meyer, Assistant Secretary of State for Inter-American Affairs, in connection with our statement pertaining to the situation in Chile.



L. K. White

25X

*Extracted and sent to action officer

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25X

2 Units Revolt In Chile

Frei Claims Army Support Against Rebels

By John M. Goshko
Washington Post Foreign Service

SANTIAGO, Oct. 21—Two Chilean army regiments rebelled against the government of President Eduardo Frei today, but the rest of the armed forces apparently remained loyal to the President.

The insurrection came as a shock to Chile; a generally stable country in a volatile continent. There had not been a military uprising in Chile since 1931. The revolt did not appear to be motivated by political reasons, but involved pay grievances and other internal army matters.

The uprisings, each involving a regiment of about 1,000 men, began early this morning at the headquarters of an artillery unit in the capital and at San Felipe, 50 miles north of Santiago.

By late today, the government claimed that the revolt at San Felipe had been suppressed and the officer leading it was under arrest.

In Santiago, however, the Tacna artillery regiment was still holding out and refusing to surrender to progovernment troops surrounding the regiment's barracks.

[After a day without casualties, members of the Tacna regiment exchanged gunfire with government troops late Tuesday night and the government radio announced that 14 persons were wounded, AP reported.]

Inside the Tacna regiment headquarters was the apparent leader of the revolt, Gen. Roberto Vialux Marambio, 51. He recently was relieved as commander of the 1st Army in Antofagasta province along Chile's northern border with Peru.

During the day, Vialux held two press conferences with reporters who were allowed inside. Each time, he insisted that the rebellion was not political, was not directed against the Frei government and its purpose was to correct inequities creating bad morale within the army.

He also insisted that the majority within the army supported his stand and that other units would rally behind him. However, there were no signs tonight that the rest of the army or the smaller navy and air force were making any moves against the government.

Frei made a nationwide radio address calling upon the people to back the government and emphasizing that most of the armed forces were "maintaining, as always, their discipline and loyalty." He also declared a state of siege throughout this country of 9.5 million people.

The causes of the revolt appeared, as Vialux said, to be rooted in morale problems, chiefly the low pay. From generals to recruits, all are paid far less than persons of equivalent rank in the civil service.

In addition, there has been considerable unhappiness within the army over the poor condition of its outmoded equipment and over efforts by various political parties to involve the military, which in Chile has a tradition of respect for constitutionality in politics.

Frei's Christian Democratic government, which has been battling to hold down wages, has largely turned a deaf ear to the army's pleas for higher pay and other improvements. As a result, morale has sagged.

In the face of this mounting listlessness, the government recently ordered the retirement of several senior officers, including Vialux. The general then wrote a seven-page letter to Frei, spelling out the army's grievances.

When he came to Santiago to present the letter to Frei, he was prevented from seeing the President and ordered back to Antofagasta. He also was "invited to retire" and a new general was named to replace him as 1st Army commander.

Vialux came to Santiago yesterday and in an airport arrival statement charged that the government had allowed military morale to degenerate to the "crisis stage."

Then followed the revolt of the two regiments, which began about an hour apart early this morning. The government said the uprising at San Felipe was staged by the Yungay Regiment and was led by Maj. Arturo Marshall, another officer who was recently ordered retired for alleged breaches of discipline.

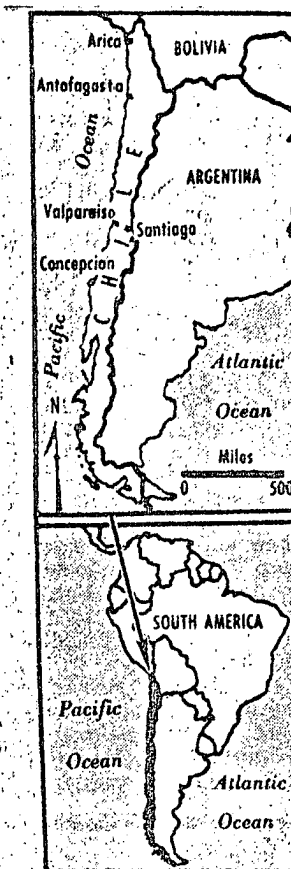
Spokesmen for the government added that the trouble at San Felipe was ended quickly and that Marshall had been placed under arrest.

At the Tacna regimental barracks, the first signs of trouble came about 7 a.m. when gunfire was heard inside the compound. Vialux later told reporters the shots were caused by troops clearing their rifles in readiness for a possible attack by progovernment forces.

The attack never came. Instead, other units of the Santiago garrison encircled the regiment's headquarters, and the two sides spent the day warily watching each other.

Tonight, Vialux was defiantly refusing to surrender, and the government gave no indication whether it intended to use force against him. Vialux also said he had sent an ultimatum to the government demanding the dismissal of the defense minister, Gen. Tulio Marambio.

[In Washington, a CIA spokesman said the agency had



The Washington Post

been aware of developments leading to this turn of events in Chile for the last 6 weeks. The spokesman acknowledged that the comment was unusual for the agency, but said it did respond to questions when operational sources would not be affected.]